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Date: 6/7/2016 GAIN Report Number: MX6024

Mexico

Post: Mexico

Mexico Revokes Antidumping Duties on U.S. Apples

Report Categories: Trade Policy Monitoring Fresh Deciduous Fruit Agricultural Situation Approved By: Lloyd Harbert Prepared By:

Dulce Flores and Tim Harrison

Report Highlights:

On June 7, 2016, the Secretariat of Economy (SE) published in the *Diario Oficial* (Federal Register) the final resolution on the antidumping investigation against imported U.S. apples. The Mexican government decided to conclude the investigation and revoke the provisional antidumping duties.

General Information:

Introduction: This report summarizes an announcement by the Secretariat of Economy (SE) published in Mexico's *Diario Oficial* (Federal Register) on June 7, 2016, containing the final resolution on the antidumping investigation against imported U.S. apples.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: <u>Final</u> resolution of the antidumping investigation on imports of apples from the United States, independent of the country of origin. The merchandise enters under the tariff code 0808.10.01of the General Import and Export Tax Law.

Summary:

On June 7, 2016, the SE announced its final determination in the antidumping investigation against imported U.S. apples that began on December 4, 2014. In its *Diario Oficial* announcement, SE found the following:

Based on the results of the analysis of the arguments and evidence described in this resolution, SE concluded that, although there are elements that support that, during the investigation period, imports of apples originating in the United States were conducted in conditions of price discrimination (less than fair value), they could not be the cause of the alleged injury to the domestic industry, so that the elements required to establish the existence of an unfair international trade practice [i.e., dumping] in terms of the applicable legislation are not met. The following are the main elements that support this finding.

- a) Although imports of apples from the United States were made with dumping margins of up to 20.73 percent in the investigated period, and such imports represented 91 percent of total imports, such practice did not result in adverse effects to the domestic industry.
- b) The investigated imports registered a growth tendency both in absolute terms and in comparison to the domestic market and domestic production during the analyzed period. Notwithstanding, such an increase in the volume of imports could have not displaced domestic sales of the domestic industry due to the price level at which such imports were made.
- c) The prices of the imports investigated increased during the analyzed period, and were higher than prices of similar products produced by the domestic industry. In this sense, the behavior

and level of the prices of the imports investigated did not have an effect on the behavior of the prices of the domestic industry products.

d) Although there was deterioration in some economic indicators of domestic production in the period analyzed, this deterioration is not due to the presence of the investigated imports, due to the fact that even though imports increased, such imports were not made at prices that displaced sales of the domestic product, and investigated imports did not have an effect on domestic prices or in the economic and financial indicators of the domestic industry, such as market share, profits, and profit margins.

Therefore, the investigation into unfair trade practices in the form of price discrimination is declared concluded, and the provisional antidumping duties are revoked.

All guarantee requirements for apple imports are cancelled, and provisional antidumping duties collected to date will be returned.

Important Dates

- 1. Publication Date: June 7, 2016.
- **2. Effective Date:** June 8, 2016

Report Number	Subject	Date Submitted
MX 6001	Mexico Issues Antidumping Ruling against U.S. Apples	01/07/2016
<u>MX 4081</u>	Mexico Initiates an Anti-Dumping Investigation on U.S. Apples	12/05/2014

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